GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:2403
ANSWERED ON:18.03.2005
SUPPLY OF COAL TO SMALL SCALE AND COTTAGE INDUSTRY
Murmu Shri Hemlal

Will the Minister of COAL be pleased to state:

(a) the number of small scale and cottage industries in each State to which coal is supplied by the Coal India Limited and by each of its ancillary companies;

(b) the total quantity of coal in tonnes supplied to such industries during each of the last three years indicating the rate per tonne;

(c) whether supply rate of coal to the small scale and cottage industries and to the other industries is below the rates for general sale;

(d) if so, the details thereof;

(e) whether the Government has recently decided to get an enquiry of the coal manufacturing companies, small scale industries and the companies run by cottage industries, which get coal at concessional rates; and

(f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYAN RAO):

(a) The number of linked consumers of non-core sector, most of which fall in the small-scale and cottage industries category currently drawing coal from various subsidiary companies of Coal India Limited are to the extent of 2722. The State-wise break-up for the same is as under:

SI.No. State No. of Consumers

1. Assam 3

2. Bihar 180

3. Sikkim 1

4. Nagaland 7

5. Meghalaya 1

6. West Bengal 623

7 Orissa 30

8. Chhattisgarh 84

9. Andhra Pradesh 3

10. Madhya Pradesh 321

11. Jharkhand 286

12. Uttar Pradesh 831

13. Maharashtra 231

14. Gujarat 9

15. Haryana 15

16. Punjab 92

17. Rajasthan 5

Total 2722

(b) The total quantity of coal supplied to such linked industries during last three years as well as the current year up to January 2005 is as under:

Year	Qunty.Dispatched (Mill. Tonnes)
2001-02	14.71
2002-03	13.36
2003-04	12.76
2004-05	10.15 (Prov.)
(Till January 2005)	

Since the quality of coal supplied to these consumers varies from grade to grade, the rate per tonne also varies accordingly. The lowest and highest basic rates ranges between Rs. 400/-per tonne to Rs. 2160/-per tonne.

(c) and (d) The small scale and cottage industries and the other linked industries do not get coal at the rates below the rates for general sale. In fact, all such linked consumers are guided by the CIL notified prices except trial sale under E-auction wherein the rates are determined through bidding process by the customers themselves.

(e) and (f) Consequent on the recommendations of Standing Committee of Coal & Steel, Ministry of Coal has already instructed Coal India Limited and its coal producing subsidiaries to conduct fresh verification of all valid linked non-core consumers. The Ministry has also suggested broad-based guide lines/check- list for conducting the verification of such consumers. Ministry of Coal has also separately written to all the State Govts. (Department of Industry and SSf) to verify the credentials of consumers located in their States drawing coal from coal subsidiaries.